



CITY COUNCIL

Committee of the Whole

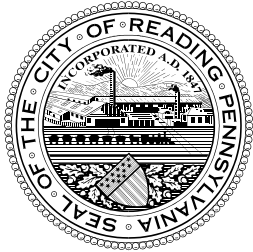
Monday, July 13, 2009

Council Office

5:00 pm

Agenda

- | | | |
|-------------|--|----------------|
| I. | Waive bond for Hotel project (A. Boscov) | 5:00 pm |
| I. | Executive Session – Litigation Update | 5:15 pm |
| II. | Discussion – Fee Increases | 5:45 pm |
| | a. Planning revenue at current rates - \$52,390 and revenue at the rate recommended by Maximus - \$168,131 | |
| | b. Parks revenue – review fees recommended for rental of Pavilions & Fieldhouses | |
| III. | Agenda Review | 6:30 pm |



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
June 22, 2009
5:00 P.M.

COUNCIL MEMBERS PRESENT:

D. Sterner, M. Goodman-Hinnershitz, S. Marmarou, J. Waltman, S. Fuhs, V. Spencer, M. Baez

OTHERS IN ATTENDANCE:

L. Kelleher, S. Katzenmoyer, C. Heminitz, T. Butler, C. Kanezo

Council President Spencer called the Committee of the Whole meeting to order at 5:08 p.m.

I. Amendment to the Code of Ethics – adding a provision regarding fraud

Ms. Butler stated that this amendment was suggested by the external auditor. It was contained in their findings report.

Ethics Board solicitor Ed Stock stated that the addition of fraud is the only amendment being made to the Code at this time. Mr. Stock stated that the Ethics Board was given a draft of the amendment by Ms. Butler. He made slight changes to the draft to make the amendment consistent with the rest of the Code.

Mr. Spencer noted that the Charter Board was created after the Ethics Board. He stated that the Charter Board deals with all issues contained in the Charter except ethics issues as the Board of the Ethics was charged with these issues. He questioned why two

boards were necessary. Mr. Stock stated that he could not speak to Charter issues. He stated that he has always counseled the Board of Ethics to stay within their jurisdiction regarding opinions and complaints.

Mr. Waltman apologized for arriving late. He questioned why this amendment has become necessary. Mr. Stock stated that it was recommended by the external City auditor.

Mr. Fuhs requested clarification on Code Section 6, A. Conflict of Interest, 2 f. Mr. Stock stated that this regulates the material interest of an official/employee in a private business.

Ms. Goodman-Hinnershitz questioned Councilors employed by non-profit organizations which receive funding from municipalities. Mr. Stock stated that it is best to recuse yourself to stay within these guidelines.

Mr. Stock stated that this amendment is very standard language.

Ms. Butler stated that the Human Resource Department is current scheduling employee ethics training.

Mr. Spencer questioned the overlap between the City Board of Ethics and the State Ethics Commission. Mr. Stock stated that the City Code and the State Code have some similarities but also some differences. He stated that it is possible to violate both the City and State codes.

Mr. Spencer stated that action on this amendment is scheduled for this evening's meeting.

II. Fee Increases

Mr. Spencer questioned who was leading this issue. Mr. Kanezo stated that Mr. Hottenstein and Ms. Kelleher were working together.

Mr. Spencer questioned why this issue was on the agenda. Ms. Kelleher stated that no consensus had been reached on some fees and discussion is needed. She stated that some fee increases recommended by Maximus may be too high.

Ms. Kelleher reminded all that the Administration used the increased fees in their

assumptions for the 2009 and 2010 budgets.

Mr. Spencer requested that a spreadsheet be created for these fees similar to the one created for the engineering fees. He stated that the increase should not be so small as not to assist in covering costs but not too high as to negatively impact citizens.

Mr. Marmarou questioned if the Blue Ribbon Panel had reviewed the Maximus report. Ms. Kelleher stated that they had the information and that they would be making a report at the August Finance Committee meeting.

Ms. Goodman-Hinnershitz stated her belief that the person benefiting from a particular service should pay for the service and that the City taxpayers should not be subsidizing these costs. She stated that taxpayers should not be paying for individual services.

Ms. Butler stated her belief that landlords would incorporate housing permit fees into their business expenses.

Mr. Marmarou noted the importance of keeping the public informed about why the fees are increasing. Ms. Kelleher reminded all that a fee study has not been completed for over 15 years.

Mr. Spencer stated that the fees must be justifiable. Mr. Waltman noted the need to be clear on the justification.

Mr. Fuhs questioned if all fees would be adjusted. Ms. Kelleher stated that they would be adjusted in sections to allow for focused discussions.

Ms. Goodman-Hinnershitz stated that the work done for individual services is expensive. She again stated her belief that the taxpayers should not subsidize these services.

Mr. Waltman noted his belief that raising the housing permit fee too high would cause more landlords to move underground. Ms. Kelleher stated that perhaps this fee could be adjusted now and readjusted yearly until the fee covers the service.

Mr. Spencer stated that the housing permit includes time for an inspection but that the inspection only occurs every 3 – 5 years. He stated that the other years is the processing of paperwork only. Mr. Kanezo stated that the paperwork process has become more complex.

Mr. Spencer again requested that a spreadsheet be compiled for discussion. He also requested that Maximus personnel be available for questions at the next Committee of the Whole meeting.

III. Agenda Review

Mr. Hottenstein joined the meeting at this time.

Council discussed this evening's agenda including:

- Increasing engineering fees

Mr. Waltman questioned why the fee for a residential driveway was increasing from \$100 to \$400. Mr. Hottenstein stated that this reflects the actual costs involved and stated that the original fee was too low.

Ms. Goodman-Hinnershitz stated the belief that residents don't understand how much government costs.

- Amending the Capital Improvement Projects budget

Mr. Waltman questioned where the \$1.6 million funding was received from. Mr. Kanezo stated that it was through Congressman Gerlach.

Mr. Waltman questioned the plan for the River Rd project. Mr. Hottenstein stated that the \$2 million was for the study only.

Mr. Waltman stated his belief that this would cover construction costs as well. He questioned the return on this investment.

Mr. Fuhs stated that it will take several years to get the preliminary work done. He stated that this is a long-term project.

Mr. Waltman noted his involvement in the Reading Area Transportation Study committee. He stated that RATS was willing to fund this project in the past. He further stated that this project will compete with other highway projects including 222 North, the West Shore Bypass, and the Penn St bridge to name a few.

Mr. Spencer questioned if the money was available. Mr. Hottenstein stated that it was

available but that it needed to be used before the end of 2009.

Mr. Waltman questioned if the construction costs are known. Mr. Hottenstein stated that they are not known.

Ms. Goodman-Hinnershitz stated her belief that this project must move forward to encourage development at the former Dana site.

- Supporting the Family Health Security Act

Mr. Spencer stated that this resolution would support a State-wide healthcare plan. Ms. Kelleher distributed an amended resolution.

Mr. Spencer noted the need to address healthcare. He stated that the feasibility of a State-wide plan is being reviewed.

Mr. Fuhs stated that this may not occur as the State is facing a large deficit. He also stated that the State has spent many years unsuccessfully trying to reform property taxes.

Mr. Waltman stated his belief that this is an important topic to those without healthcare. He further stated that taxpayer money may not be the best way to cover those without healthcare. He stated that systemic issues need to be addressed; not a system overhaul.

Mr. Fuhs stated that the resolution has been placed on the agenda without sufficient time to discuss and debate the issue.

Mr. Sterner stated that he supports studying the issue but does not support these specific bills.

Mr. Fuhs questioned what the cost to the State would be and how many residents do not have healthcare. Ms. Skomitz stated that the funding is stated in the bills. It will come from a 3% wellness tax and a 10% payroll tax.

Mr. Waltman stated his belief that people are not happy with the current system but are not comfortable with a drastic change.

Ms. Goodman-Hinnershitz stated that she has remained close to this debate and it is her belief that the healthcare system needs to be changed.

Mr. Fuhs stated that only one side of this issue was presented. There were no opposing views presented.

Mr. Waltman stated that all Councilors can bring items to the table.

Mr. Fuhs questioned how this resolution would be used and by whom. Mr. Spencer stated that the advocates and sponsors of the bills would use it as leverage while the issue is debated at the State level.

Mr. Fuhs questioned if the passage of this resolution meant that the citizens of Reading support single payer healthcare. Mr. Spencer stated that it does.

- Supporting Buy American as part of the federal stimulus package

Mr. Fuhs questioned why this resolution was brought forward when other countries objected to its inclusion in the federal act. He noted that in the global economy this would be detrimental.

Mr. Spencer stated that it would only be for the federal stimulus funding. He stated that Buy American should be followed whenever possible. Mr. Fuhs again noted the global implications this would have.

Mr. Fuhs expressed his disappointment that this item is on Council's agenda.

Ms. Goodman-Hinnershitz stated her belief that multinational companies confuse this issue.

Mr. Spencer stated that a resolution supporting the zoning appeal of 505 Penn St would be added to this evening's agenda.

IV. Other Business

Mr. Spencer questioned the Administration's plan for the 2010 budget. Mr. Hottenstein stated that there is a gap between revenues and expenses and that the Administration is working to close that gap.

Mr. Spencer questioned if Council would see draft budgets before the October 1 deadline. Mr. Hottenstein stated that the Administration plans to work with Council throughout the process.

Mr. Spencer stated that many times the City is forced into arbitration in regards to collective bargaining agreements due to missed deadlines. He questioned the policy of the current Administration on this issue. Mr. Hottenstein stated that the Administration will be actively engaged in negotiations but that one side can purposely miss deadlines to force arbitration.

Mr. Spencer noted the problems this could cause the City. Mr. Hottenstein stated that typically an arbitrator sides with the collective bargaining unit.

Mr. Spencer stated Council's wish to begin work on the 2010 budget in January 2009. He stated that they have not had updates and the Administration currently has no plan. Mr. Hottenstein stated that the Administration has been working with the four other cities cited in the PEL report and with State legislators.

Mr. Spencer stated that the City cannot control State action. Mr. Hottenstein stated that staff has been meeting and looking for creative ideas. He stated that the deficit situation has gone on too long.

Mr. Spencer questioned when the Maximus report was received. Mr. Hottenstein stated that it was received several months ago and fee increase recommendations have begun to move forward.

Mr. Spencer stated that Council requested the collection of delinquent taxes and fees. He questioned the delay. Mr. Hottenstein stated that time was needed to draft the RFP and to go through the award process.

The meeting adjourned at 6:58 pm.

Respectfully Submitted
Linda A. Kelleher, CMC
City Clerk

RESOLUTION NO. _____ -2009

THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

Reading Luxury Hotels, LLC, is relieved and granted a waiver of/from the requirements of posting a bond or surety pursuant to Chapter 22 Subdivision and land Development Ordinance Section 309 Performance/Maintenance Guarantees (Section 22-309) of the City of Reading Codified Ordinance for development of the Double Tree Convention Center (Hotel) by Reading Luxury Hotels, LLC, at 701 Penn Street, Reading, Berks County, Pennsylvania per the plan approved by the City of Reading Planning Commission on May 12, 2009, by its Resolution #33-2009, and any reaffirmation thereof. Provided, that Reading Luxury Hotels, LLC, shall execute a Municipalities Improvements Agreement in a form prepared and provided by the City of Reading wherein they guarantee without the need to post any surety performance of the requisite municipal improvements for development and construction of the aforesaid project and site.

Adopted by Council _____, 2009

Vaughn D. Spencer, President of Council

Attest:

Linda A. Kelleher CMC, City Clerk

| Department | Division | Item | Old Fee | Year of Old Increase | New Fee |
|------------|----------|-------------------------------------|---------|----------------------|---------|
| CD | Planning | RLD Sketch or Revision 1-5 | \$100 | 2002 | \$780 |
| CD | Planning | RLD Sketch or Revision 6-40 | \$200 | 2002 | \$810 |
| CD | Planning | RLD Sketch or Revision 40+ | \$300 | 2002 | \$970 |
| CD | Planning | RLD Prelim 1-5 | \$200 | 2002 | \$1,235 |
| CD | Planning | RLD Prelim 6-40 | \$400 | 2002 | \$1,465 |
| CD | Planning | RLD Prelim 40+ | \$600 | 2002 | \$1,520 |
| CD | Planning | RLD Final 1-5 | \$500 | 2002 | \$1,345 |
| CD | Planning | RLD Final 6-40 | \$700 | 2002 | \$1,670 |
| CD | Planning | RLD Final 40+ | \$900 | 2002 | \$1,720 |
| CD | Planning | CLD Sketch or Revision < 2 acre | \$100 | 2002 | \$790 |
| CD | Planning | CLD Sketch or Revision 2-10 acre | \$200 | 2002 | \$830 |
| CD | Planning | CLD Sketch or Revision 10+ acre | \$300 | 2002 | \$1,010 |
| CD | Planning | CLD Prelim < 2 acre | \$200 | 2002 | \$1,400 |
| CD | Planning | CLD Prelim 2-10 acre | \$400 | 2002 | \$1,640 |
| CD | Planning | CLD Prelim 10+ acre | \$600 | 2002 | \$1,675 |
| CD | Planning | CLD Final < 2 acre | \$500 | 2002 | \$1,500 |
| CD | Planning | CLD Final 2-10 acre | \$700 | 2002 | \$1,840 |
| CD | Planning | CLD Final 10+ acre | \$900 | 2002 | \$1,880 |
| CD | Planning | SD/Annex Sketch or Revision 1-5 | \$50 | 2002 | \$675 |
| CD | Planning | SD/Annex Sketch or Revision 6-25 | \$100 | 2002 | \$745 |
| CD | Planning | SD Annex Sketch or Revision 25+ | \$200 | 2002 | \$820 |
| CD | Planning | SD/Annex Prelim 1-5 | \$100 | 2002 | \$920 |
| CD | Planning | SD/Annex Prelim 6-25 | \$200 | 2002 | \$1,110 |
| CD | Planning | SD/Annex Prelim 25+ | \$300 | 2002 | \$1,120 |
| CD | Planning | SD/Annex Final 1-5 | \$200 | 2002 | \$900 |
| CD | Planning | SD/Annex Final 6-25 | \$300 | 2002 | \$1,080 |
| CD | Planning | SD/Annex Final 25+ | \$600 | 2002 | \$1,100 |
| CD | Planning | Parking lot review 50 or less | \$100 | 2002 | \$820 |
| CD | Planning | Parking lot review every 10 over 50 | \$10 | 2002 | \$900 |

EXHIBIT A

| Department | Division | Item | Old Fee | Year of Old Increase | New Fee |
|--------------|----------------------|---|---------------|----------------------|-----------------|
| Public Works | Parks and Recreation | Field House - 6 hours | \$75 | 2008 | \$180 |
| Public Works | Parks and Recreation | Field House – 7 hours | \$100 | 2008 | \$250 |
| Public Works | Parks and Recreation | Gymnasium, 3 rd and Spruce - 2-3 hours | \$175 | 2008 | \$200 |
| Public Works | Parks and Recreation | Gymnasium, 11 th and Pike – 2-3 hours | \$125 | 2008 | \$150 |
| Public Works | Parks and Recreation | Gymnasium, 3 rd and Spruce – 4-6 hours | \$225 | 2008 | \$250 |
| Public Works | Parks and Recreation | Gymnasium, 11 th and Pike – 4-6 hours | \$150 | 2008 | \$175 |
| Public Works | Parks and Recreation | Small Pavilion – 6 hours | \$35 | 2008 | \$100 |
| Public Works | Parks and Recreation | Small Pavilion – 6 + hours | \$40 | 2008 | \$150 |
| Public Works | Parks and Recreation | Large Pavilion – 6 hours | \$50 | 2008 | \$150 |
| Public Works | Parks and Recreation | Large Pavilion – 6 + hours | \$60 | 2008 | \$200 |
| Public Works | Parks and Recreation | Band Shell – 6 hours | \$175 | 2008 | \$600 |
| Public Works | Parks and Recreation | Band Shell Penalty | \$600 + costs | 2008 | \$1,000 + costs |
| Public Works | Parks and Recreation | Pagoda | \$100 | 2008 | \$500 |
| Public Works | Parks and Recreation | Ball Field - 2 hours, before 8 | \$15 | 2008 | \$40 |
| Public Works | Parks and Recreation | Ball Field – 2 hours, 8-10 p.m. | \$20 | 2008 | \$70 |